

Cash Flow Statement

Year ended 31 December 2000

(Prepared under PRC Accounting Standards)

	2000	1999
	<i>RMB</i>	<i>RMB</i>
1. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	11,658,329,197	10,652,157,371
Value added tax on sales received	1,981,915,963	1,816,853,215
Interest from bank deposits received and others	2,266,327	2,922,678
	<u>13,642,511,487</u>	<u>12,471,933,264</u>
Sub-total of cash in flows		
Cash paid for goods and services	10,583,804,389	9,139,374,569
Cash paid to and on behalf of employees	381,254,008	387,544,504
Cash paid for utility expenses	1,117,198,106	883,152,114
Cash paid for repair and maintenance expenses	346,634,582	347,963,515
Cash paid for sewerage expenses	46,373,000	66,105,688
Cash paid for travel and accommodation expenses	4,483,961	11,234,932
Cash paid for pension fund	96,824,643	97,626,000
Cash paid for research and development expenses	11,245,073	23,243,390
Value added tax on purchases paid	592,487,231	528,935,483
Income tax paid	72,707,260	37,515,104
Other taxes paid	29,942,850	20,820,814
Other cash paid relating to operating activities	200,200,217	346,500,791
	<u>13,483,155,320</u>	<u>11,890,016,904</u>
Sub-total of cash outflows		
Net cash flows from operating activities	<u>159,356,167</u>	<u>581,916,360</u>

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	2000	1999
	RMB	RMB
2. Cash flows from investing activities:		
Cash received from dividend income	6,391,711	4,350,720
Cash received from bond interest income	32,479	6,480
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Sub-total of cash inflows	6,424,190	4,357,200
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Cash paid to acquire fixed assets and construction in progress	1,226,490,158	258,274,168
Cash paid to acquire intangible assets	174,260,104	87,342,231
Cash paid to acquire long term assets	–	23,395,300
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Sub-total of cash outflows	1,400,750,262	369,011,699
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Net cash flows from investing activities	(1,394,326,072)	(364,654,499)
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3. Cash flows from financing activities:		
Proceeds from borrowing	3,526,987,948	1,647,898,118
Proceeds from issuing of additional shares	485,518,000	–
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Sub-total of cash inflows	4,012,505,948	1,647,898,118
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Cash repayments of amounts borrowed	2,136,488,612	1,564,529,887
Cash payments for distribution of dividends	11,279,780	34,110,780
Cash payments of interest expenses	671,550,350	238,398,201
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Sub-total of cash outflows	2,819,318,742	1,837,038,868
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Net cash flows from financing activities	1,193,187,206	(189,140,750)
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Net (decrease)/increase in cash and cash equivalents	(41,782,699)	28,121,111
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(Prepared under PRC Accounting Standards)

Notes:

1. Investing and financing activities that do not involve cash receipts and payments:

	2000 RMB	1999 RMB
Amounts paid by JCGC for		
acquiring fixed assets and construction in progress	-	33,357,153
Investments in the form of fixed assets	-	13,316,015
Investments in the form of intangible assets	-	1,708,416
	<u> </u>	<u> </u>

2. Reconciliation of net profit to cash flows from operating activities:

Net (loss)/profit	(878,766,153)	152,757,612
Add: Provision for doubtful debts	60,933,348	11,397,370
provision for inventories	54,782,124	1,113,532
Depreciation of fixed assets	761,457,881	717,518,032
Amortisation of intangible assets	73,173,107	67,539,841
Amortisation of other long term assets	-	62,865,537
Loss on disposal of fixed assets	554,812,346	1,740,100
Financial expenses	632,700,593	603,520,144
(Profit)/loss from investments	(57,591,154)	5,510,507
Deferred tax expense	(2,387,545)	1,022,401
Amortisation of share premium	(520,000)	(520,000)
Increase in trade debtors	(1,726,147,853)	(329,877,268)
Decrease in prepayments	31,565,405	23,328,405
(Increase)/decrease in other debtors	(298,040,995)	14,635,526
Increase in inventories	(302,683,332)	(245,748,619)
(Increase)/decrease income in deferred expenses	(1,734,232)	16,027,812
Increase/(decrease) in trade creditors	10,142,533	(187,622,893)
Decreases in advance from customers	(64,667,161)	(14,344,304)
Decrease in taxes payable	(122,269,470)	(32,545,241)
Increase/(decrease) in other creditors	1,434,596,725	(286,402,134)
	<u> </u>	<u> </u>
Net cash flows from operating activities	159,356,167	581,916,360

3. Net (decrease)/increase in cash and cash equivalents:

Cash at the end of the year	198,701,433	240,484,132
Less: cash at the beginning of the year	240,484,132	212,363,021
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Net (decrease)/increase in cash and cash equivalents	(41,782,699)	28,121,111